Introduced by Senator Scott

February 16, 2007

An act to add Chapter 12.5 (commencing with Section 67050) and Chapter 12.7 (commencing with Section 67070) to Part 40 of Division 5 of Title 3 of the Education Code, relating to postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

SB 325, as amended, Scott. Postsecondary education:—California Postsecondary Education Accountability Act of 2007. Educational and Economic Goals for California Higher Education.

Existing law establishes the University of California, under the administration of the Regents of the University of California, the California State University, under the administration of the Trustees of the California State University, and the California Community Colleges, under the administration of the Board of Governors of the California Community Colleges, and private, independent institutions of higher education as the 4 segments of postsecondary education in this state.

This bill would enact the California Postsecondary Education Accountability Act of 2007. A provision of the act would express the intent of the Legislature that a postsecondary education accountability reporting structure contain several prescribed elements. The bill would require the establishment of a statewide California Postsecondary Education Accountability (CPSEA) structure to provide the basis for an annual assessment of the progress made by the state's postsecondary education system in meeting the educational needs of Californians, and would specify certain data to be collected as part of the assessment.

 $SB 325 \qquad \qquad -2-$

This bill would require the state to establish an accountability framework for achieving prescribed educational and economic goals. The bill would require this framework to measure the collective performance of the state's system of higher education in successfully serving students by answering 6 statewide policy questions. The bill would require that the data collected in responding to these policy questions be reported to the Legislature and the Governor and made available to the public.

The bill would require the board of governors and trustees, and urge request the regents and the Association of Independent California Colleges and Universities, to provide—annual biennial reports to the Legislature, the California Postsecondary Education Commission (CPEC), and the Governor, by October 1 of each even-numbered year, beginning October 1, 2008, to become part of the state accountability record. The bill would require that, in implementing the act, CPEC and other affected state agencies shall ensure that no additional mandates are imposed on local agencies.

The bill would require the Legislative Analyst's Office to convene a Technical Advisory Committee (TAC), and would specify the membership and responsibilities of the TAC. The bill would require the TAC to report its findings and recommendations, in writing, to the Governor, the Legislature, and the Director of Finance on or before May 1, 2008.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

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      SECTION 1. Chapter 12.5 (commencing with Section 67050)
    is added to Part 40 of Division 5 of Title 3 of the Education Code,
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    to read:
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        CHAPTER 12.5. EDUCATIONAL AND ECONOMIC GOALS FOR
                   California Higher Education
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      67050. The Legislature finds and declares all of the following:
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      (a) Since the enactment of the Master Plan for Higher Education
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    in 1960, California's system of postsecondary education has
    provided access and high-quality educational opportunities that
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    have fueled California's economic growth.
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-3- SB 325

(b) Several factors, including changing demographics, rising costs, increased competition for scarce state funding, and employer concerns about graduates' skills, present new challenges to higher education and state policymakers in effectively meeting the postsecondary education needs of Californians.

- (c) Although the public segments of higher education have each developed their own institution-specific accountability efforts, these efforts do not combine to tell us whether the state as a whole is on track to producing enough college educated individuals to meet workforce needs and to effectively compete in the global information economy, nor do they reflect statewide policy goals that cut across all higher education segments.
- (d) In the absence of a statewide focus and context, the state has limited access to meaningful data and analyses to assess the state's performance in key areas, and to make critical fiscal and policy decisions.
- (e) As public demand to ensure the state is making proper investments in postsecondary education grows, policy and educational leaders must collectively hold themselves accountable for producing economic and educational outcomes that best serve the state's interest.
- (f) In order to achieve the educational and economic outcomes necessary to ensure the state's success, it is the intent of the Legislature that data-driven budget and policy decisions within higher education be guided by each of the following goals:
- (1) In the best performing state in the nation, for every 100 pupils in grade 9, 91 graduate from high school, 57 directly enter college, and 27 graduate within 150 percent of program time. However, in California, for every 100 pupils in grade 9, 71 graduate from high school, 31 directly enter college, and 17 graduate within 150 percent of program time, placing California 27th in the nation. Goal: by 2020, California will have improved its educational pipeline numbers sufficiently so that it is among the top 10 states in the nation in this regard.
- (2) Current projections by the National Center for Public Policy and Higher Education indicate that California residents will have the largest drop in projected per capita income in the nation over the next two decades, and will fall below the national average by 2012. Goal: by 2020, California will be at the average per capita income of the top 10 new economy states as determined using the

SB 325 —4—

1 State New Economy Index developed by the Progressive Policy 2 Institute.

- (3) In 2005, California ranked 33rd among states in the percentage of persons between 18 and 24 years of age, inclusive, with a high school diploma, 31st in the percentage of persons between 25 and 64 years of age, inclusive, with an associate degree, and 14th in the percentage of persons between 25 and 64 years of age, inclusive, with a bachelor's or higher degree. Goal: by 2020, California will be in the top 10 states nationally for the percentages of its age groups with degrees and certificates conferred.
- 67051. The State of California shall establish an accountability framework that provides the basis for a biennial assessment of the collective contribution of the state's system of postsecondary education toward meeting the educational and economic goals established pursuant to Section 67050. The accountability framework developed to monitor progress toward these goals shall be guided by all of the following principles:
- (a) A state-level accountability framework is designed to help policymakers develop, maintain, and fund a postsecondary education system that meets the state's goals, recognizes the differentiated missions of each segment of postsecondary education, and guides the segments toward maintaining effective institutions consistent with state goals and institutional missions.
- (b) Policymakers and governing boards are collectively accountable for meeting public goals for higher education, in accordance with all of the following:
- (1) Monitoring progress toward state goals is largely the responsibility of state policymakers.
- (2) Monitoring the performance of individual colleges and universities is primarily the responsibility of institutional governing boards.
- (3) Institutional governing boards have ongoing responsibility for monitoring the progress toward statewide policy goals of individual colleges and universities, for meeting segmental and institutional missions and goals, and for ensuring the quality of the students' education.
- (c) The state-level reporting system shall be designed to contain only data that helps policymakers to assess progress toward state goals and to make appropriate policy and funding decisions.

5 SB 325

Specific indicators may change as better measures are identified for assessing progress toward state goals.

- 67052. (a) The state shall utilize the accountability framework established pursuant to Section 67051 to measure progress toward its articulated educational and economic goals by collecting and reporting information that answers all of the following six statewide policy questions:
- (1) Are enough Californians prepared for postsecondary education?
 - (2) Are enough Californians going to college?

- (3) Is the state's postsecondary education system affordable to all Californians?
- (4) Are enough Californians successfully completing certificates and degrees?
- (5) Are college graduates prepared for life and work in California?
- (6) Are California's people, communities, and economy benefiting?
- (b) The six questions set forth in subdivision (a) shall be answered by collecting a select number of key indicators of progress, not to exceed 30 indicators in total. These questions shall be answered by collecting a select number of key indicators of progress.
- (1) Are enough Californians prepared for postsecondary education? Indicators of progress may include, but not necessarily be limited to, all of the following:
- (A) High school graduates who have completed the "A-G" college preparatory curriculum.
- (B) High school juniors who are proficient in English and mathematics.
 - (C) Adults with a high school diploma or the equivalent.
 - (D) Adult basic skills proficiency levels.
- (2) Are enough Californians going to college? Indicators of progress may include, but not necessarily be limited to, all the following:
- (A) High school graduates enrolling in college anywhere in California within one year.
 - (B) Adult population enrolled in postsecondary education.
- *(C)* Proportion of postsecondary enrollment served by segment, 40 including private institutions.

 $SB 325 \qquad \qquad -6-$

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- 1 (D) General Equivalency Diploma (GED) recipients enrolling 2 in postsecondary education.
 - (3) Is the state's postsecondary education system affordable to all Californians? Indicators of progress may include, but not necessarily be limited to, all of the following:
 - (A) Proportion of income needed to pay for college, by segment, before and after financial aid.
 - (B) Family income distribution of enrolled students.
 - (C) Student loan burden.
 - (4) Do enough Californians successfully complete certificates and degrees? Indicators of progress may include, but not necessarily be limited to, all of the following:
 - (A) Certificates and degrees awarded.
 - (B) Graduation rates.
 - (C) Baccalaureate degree graduation rates for students beginning at a community college with transfer intent.
 - (D) Number of units to earn a degree or certificate.
 - (E) Remedial students successfully earning degrees or certificates.
 - (5) Are college graduates prepared for life and work in California? Indicators of progress may include, but not necessarily be limited to, all of the following:
 - (A) Performance of college graduates on existing statewide learning assessments.
 - (B) Performance of college graduates on licensure and graduate school entrance examinations.
 - (C) Student and employer satisfaction with college education.
 - (6) Are California's people, communities, and economy benefiting? Indicators of progress may include, but not necessarily be limited to, all of the following:
 - (A) Median personal income by educational attainment.
- 32 (B) Increase in total per capita personal income.
- 33 (C) Degrees and certificates awarded in selected high demand 34 fields.
 - (D) Federal research and development funding per capita.
- 36 (E) Educational attainment levels of state population.
- 37 *(F) Public participation in community service and civic affairs.*
 - (c) The segments of higher education in California shall provide
- 39 the California Postsecondary Education Commission (CPEC) all
- 40 summary, nonpersonally identifiable data required pursuant to

7 SB 325

this article. To the extent possible, the segments of higher education shall rely upon existing data, information systems, reports, and processes in providing the required data. The commission shall be the central repository for collecting and maintaining all data, and shall make this data available pursuant to Section 67053 in the following formats:

(1) Statewide aggregate data.

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- (2) Segmental data, provided by the public and independent nonprofit independent sector.
- (3) Regional data, reported for the 14 regions utilized by CPEC for planning and statistical analysis.
- (d) The indicators of progress shall be collected and made available by race and ethnicity, gender, Cal Grant recipient status, and socioeconomic status, to the extent that this data is available. The indicators shall also be collected and maintained longitudinally, where appropriate.
- (e) (1) The Legislative Analyst's Office shall convene a Technical Advisory Committee (TAC) to coordinate the technical specifications of the summary aggregate indicator data need to address the six state policy questions set forth in Section 67052 and the accessibility of indicator data for state purposes. The TAC shall consist of all of the following:
- (A) At least one representative, but no more than two representatives, chosen by the governing body of each public postsecondary segment.
- (B) A representative of the California Postsecondary Education Commission.
 - (C) A representative of the Department of Finance.
- (D) At least one member, but no more than three members, with expertise in similar state accountability efforts, chosen by the Legislative Analyst's Office.
- (E) A representative from any state agency deemed by the Legislative Analyst's Office to maintain data that could be helpful in responding to the six state policy questions set forth in Section 67052.
- 36 (F) A representative of the Legislative Analyst's Office, who 37 shall serve as the chairperson of the TAC.
- 38 (2) The TAC shall report its findings and recommendations, in 39 writing, to the Governor, the Legislature, and the Director of 40 Finance on or before May 1, 2008.

-8-**SB 325**

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1 67053. (a) Commencing September 1, 2008, and on or before 2 September 1 of each even-numbered year thereafter, the California 3 Postsecondary Education Commission (CPEC) shall provide to 4 the Legislature and the Department of Finance a report 5 summarizing information it has collected under the accountability framework. A copy of the report shall be made available to the 7 governing body of each of the segments of postsecondary 8 education. The report shall present statewide data for each of the indicators described in Section 67052, as well as any other indicators requested pursuant to statute. 10

- (b) Within 120 days of receipt of the report described in subdivision (a), the Legislative Analyst's Office (LAO) shall provide the Legislature with an analysis of the data contained in that report. The LAO's analysis shall do all of the following:
- (1) Assess the extent to which California has made progress on the six questions in Section 67052.
- (2) Identify significant factors which may explain the level of progress that has been achieved.
- (3) Identify higher education policy and funding issues suggested by the data for the Legislature to consider.
- (c) The LAO shall provide specific budget and policy recommendations in its annual Analysis of the Budget Bill, and may make recommendations regarding modifications to the indicators and goals set forth in Section 67052.
- (d) It is the intent of the Legislature that the accountability information collected by CPEC shall be made available, with due concern for student privacy, to the Legislature, the administration, and other researchers.
- (e) The Board of Governors of the California Community Colleges and the Trustees of the California State University are required to, and the Regents of the University of California and the Association of Independent California Colleges and Universities are requested to, provide biennial reports to the Legislature, the California Postsecondary Education Commission, and the Governor, by October 1 of each even-numbered year, beginning October 1, 2008, to become part of the state accountability record. These biennial reports shall provide a key link between the state postsecondary education accountability reporting structure and segmental accountability efforts. These

9 SB 325

1 (1) The segment's main priorities for each of the state's goal 2 areas.

- (2) The major activities underway to address each priority.
- (3) The performance indicators used to track progress toward each goal.
- (4) Major highlights or issues from the data that have state-level significance.
- (5) The segment's institutional goals for student learning outcomes, including core competencies and the capacity to learn; how they assess progress toward these goals; what they are learning from their assessments; and how they are using their assessments to improve learning.
- (6) A summary of any activity undertaken to address all of the following:
- (A) System efforts being undertaken to address areas of special state need.
- (B) Programs implemented to assist elementary and secondary pupils with academic preparation, and the extent to which these efforts assist elementary and secondary pupils meet both placement and admission standards of each segment.
 - (C) Remediation efforts and outcomes.

- (D) Expansion of capacity to effectively and efficiently serve students, including, but not necessarily limited to, the collaborative use of facilities across segments, distance learning, operation during evenings, weekends, and summer sessions.
- (f) The Board of Governors of the California Community Colleges and the Trustees of the California State University shall, and the Regents of the University of California and the Association of Independent California Colleges and Universities are requested to, present the findings of their reports at a joint hearing of the legislative education policy committees and the appropriate budget subcommittees, to be convened by January 30, 2009, and each odd-numbered year thereafter.
- 67054. For the purposes of this chapter, the segments of postsecondary education are defined as the California Community Colleges, the California State University, the University of California, and the Association of Independent California Colleges and Universities.
- 39 67055. In implementing the requirements of this chapter, the 40 California Postsecondary Education Commission and any other

SB 325 -10-

affected state agency shall ensure that no additional mandates are imposed on local agencies. Any new activities required to implement this chapter shall be offset by a commensurate reduction in other existing redundant or unnecessary information requirements.

SEC. 2. Chapter 12.7 (commencing with Section 67070) is added to Part 40 of Division 5 of Title 3 of the Education Code, to read:

Chapter 12.7. Information Regarding Enrollment, Retention, and Student Success

- 67070. (a) In order to provide prospective students and their families access to critical institution-specific information regarding enrollment, retention, and student success, it is the intent of the Legislature that the University of California, the California State University, the California Community Colleges, and private and independent colleges and universities in California provide a highly visible and accessible array of tools designed to assist with their decisionmaking processes.
- (b) The tools referred to in subdivision (a) shall seek, as their primary goal, to provide students and their families with timely and relevant data and information that may include any of the following:
- (1) The number and types of degrees or certificates awarded, by campus.
 - (2) The average time-to-degree for undergraduates, by campus.
 - (3) The average units-to-degree for undergraduates, by campus.
- (4) Data related to average student persistence, retention, or both.
- (5) The total cost of annual enrollment, including all campus-based and other fees.
- (c) The data referred to in subdivision (b) shall be made available in a manner that seeks to minimize direct costs to the institution. It is the intent of the Legislature that institutions utilize existing electronic and other media resources to disseminate the information delineated in this section, including systemwide Web sites, intrasegmental Web sites, or both.
- 67071. (a) To the extent that the University of California, the California State University, the California Community Colleges,

—11— SB 325

and private and independent colleges and universities participate, voluntarily or otherwise, in existing informational reporting for students and parents, those efforts may be deemed to meet the Legislature's intent, as outlined in Section 67070.

(b) For the purposes of this section, acceptable and appropriate information-reporting frameworks may include, but need not be limited to, those developed by national higher education organizations and federal data collection entities. However, every attempt shall be made to ensure that information reporting provides students and families with information that will improve their understanding and comparison of postsecondary educational institutions.

SECTION 1. Chapter 12.5 (commencing with Section 67050) is added to Part 40 of Division 5 of Title 3 of the Education Code, to read:

CHAPTER 12.5. CALIFORNIA POSTSECONDARY EDUCATION
ACCOUNTABILITY ACT OF 2007

67050. (a) This chapter shall be known and may be cited as the California Postsecondary Education Accountability Act of 2007.

- (b) The Legislature finds and declares all of the following:
- (1) Since the enactment of the Master Plan for Higher Education in 1960, California's system of postsecondary education has provided access and high-quality educational opportunities that have fueled California's economic growth.
- (2) A combination of factors now pose challenges for postsecondary education and for state policymakers in meeting the postsecondary education needs of Californians. Enrollment is growing, the demographics of the student body are changing, costs are rising, state support for postsecondary education is declining, student fees are increasing, access is being restricted, employers are expressing concerns about graduates' skills, and there is growing public demand to ensure that the state is making proper investments in postsecondary education.
- (3) Although the public segments of postsecondary education have each developed their own institution-specific accountability efforts, they do not combine to reflect statewide policy goals that cut across all postsecondary education segments.

SB 325 -12-

(4) In the absence of a statewide focus, the state has limited access to meaningful data that could serve as the basis for analysis on how the state is performing in key areas, and must make important fiscal and policy decisions without that knowledge.

- 67051. It is the intent of the Legislature that a postsecondary education accountability reporting structure contain all of the following elements:
 - (a) Be focused and strategic in its purpose.
- (b) Be used wisely to serve as a tool to improve educational outcomes for Californians.
- (c) Be used to support effective, data-driven policy and fiscal decisions.
- (d) Acknowledge that not everything about the whole person can be measured, including the intangible learning capacities that students gain from college attendance.
- (e) Recognize that students enter the system with different levels of preparation.
- (f) Be used to identify and eliminate unnecessary and redundant reports submitted to the state by the various educational agencies and institutions to save resources, improve efficiency, and allow institutions to focus on their efforts on meeting state policy goals and their own related institutional goals.
- 67052. The State of California shall establish a statewide California Postsecondary Education Accountability (CPSEA) structure that provides the basis for an annual assessment of the progress made by the state's system of postsecondary education in meeting the educational needs of Californians.
- (a) This CPSEA structure shall identify a select number of key indicators that measure progress toward four statewide public policy goals for postsecondary education in the following areas:
 - (1) Educational Opportunity:
- (A) This goal envisions that all Californians have reasonable and equal opportunities to attend college.
- (B) To measure progress in achieving this goal, the California Postsecondary Education Commission (CPEC) shall collect and analyze data on all of the following:
 - (i) College readiness among high school graduates.
- (ii) College readiness among adults, including adult basic skills proficiency levels.
- (iii) College affordability.

— 13 — SB 325

1 (2) Participation:

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- (A) This goal envisions that California higher education will serve a large and diverse population.
- (B) To measure progress in achieving this goal, CPEC shall collect and analyze data on all of the following:
 - (i) Postsecondary enrollment.
 - (ii) Capacity to serve eligible students.
- 8 (iii) Diversity of the college environment.
 - (3) Student Success:
- 10 (A) This goal envisions that California higher education will prepare students well for life and work.
- 12 (B) To measure progress in achieving this goal, CPEC shall 13 collect and analyze data on all of the following:
 - (i) Student success in completion of their educational goals, including the use of available transition data.
 - (ii) Student learning, as measured by indirect and direct measures, with the segments having the primary responsibility for collecting and analyzing direct measures of learning, including student success in acquiring core competencies.
 - (iii) Student and employer satisfaction.
- 21 (4) Public Benefits:
 - (A) This goal envisions that California higher education will benefit the state and its people by providing meaningful participation in civic life and support of the state's economy.
 - (B) To measure progress in achieving this goal, CPEC shall collect and analyze data on all of the following:
 - (i) Personal income.
 - (ii) State economic development.
- 29 (iii) Social and civic life.
 - (b) The CPSEA structure shall establish a statewide reporting system that identifies a select number of key indicators to measure progress toward these state goals. The information provided by this system shall include all of the following:
 - (1) Statewide aggregate data, as described in this section.
 - (2) Regional data, reported by regions to be determined pursuant to advice from the CPSEA.
- 37 (3) Segmental data, provided by the public and independent 38 nonprofit sectors pursuant to the process described in subdivision 39 (a).

SB 325 —14—

1 (4) A system-specific annual report to the Governor and the 2 Legislature.

- (e) The data for the indicators shall be collected statewide from a variety of sources, including information provided by the segments and the institutions within these segments. Each indicator shall provide information by race and ethnicity, gender, Cal Grant recipient status, and socioeconomic status, to the extent to which data is available. The indicators shall be adopted by OPEC, which shall consult with representatives from the higher education segments, state policymakers, the business community, and higher education students and faculty in the development, adoption, and revision of the indicators.
- (d) The Board of Governors of the California Community Colleges and the Trustees of the California State University are required to, and the Regents of the University of California and the Association of Independent California Colleges and Universities are urged to, provide annual reports to the Legislature, the California Postsecondary Education Commission, and the Governor, by October 1 of each year, beginning October 1, 2008, to become part of the state accountability record. These annual reports shall provide a key link between the state postsecondary education accountability reporting structure and segmental accountability efforts.
- 67053. For the purposes of this chapter, the segments of postsecondary education are defined as the California Community Colleges, the California State University, the University of California, and the Association of Independent California Colleges and Universities.
- 67054. In implementing the requirements of this chapter, the California Postsecondary Education Commission and any other affected state agency shall ensure that no additional mandates are imposed on local agencies. Any new activities required to implement this chapter shall be offset by a commensurate reduction in other existing redundant or unnecessary information requirements.